



Office of Health Plan Administration

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February 18, 2009

AGENDA ITEM 4c

TO: MEMBERS OF THE HEALTH BENEFITS COMMITTEE

- I. SUBJECT:** Update on Health and Disease Management Initiative
- II. PROGRAM:** Health Benefits
- III. RECOMMENDATION:** Information Only
- IV. BACKGROUND:**

In early 2007, CalPERS and Mercer began work on a Health and Disease Management Initiative. Periodic updates on the Initiative's status were provided to the Committee throughout 2007 and 2008. The purpose of this agenda item is to provide a further update on the Initiative.

V. ANALYSIS:

CalPERS staff have agreed upon the following specific objectives related to the Initiative:

- By July 31, 2009, make recommendations to the Committee regarding the future of disease management programs.
- By December 31, 2009, coordinate pilot worksite wellness programs across all plans with standard metrics and minimum requirements for each participating state agency.

Among other activities in 2009, CalPERS staff has planned the following steps to accomplish the above objectives:

- Conduct a site visit on February 23 and 24, 2009, to Health Management Corporation (HMC), the disease management company under subcontract with Anthem Blue Cross, to assess their ConditionCare program.
- Conduct meetings with Mercer and the contracted health plans to determine the current status of their health and disease management programs and establish agreed upon implementation steps for the Blue Shield and Kaiser wellness proposals. The first meeting with Mercer is scheduled for February 10, 2009, and meetings with the health plans will follow.

- Facilitate discussions with state agencies that may be willing to serve as pilot sites for wellness initiatives. Discussions are projected to occur during the summer of 2009.

CalPERS staff plan to report their progress on the Health and Disease Management Initiative on a quarterly basis at the Health Benefits Committee meetings.

VI. STRATEGIC PLAN:

This directly relates to Goals X and XI of the Strategic Plan which state:

- “Develop and administer quality, sustainable health benefit programs that are responsive to and valued by enrollees and employers.”
- “Promote the ability of members and employers to make informed decisions resulting in improved lifestyle changes and health outcomes.”

VII. RESULTS/COSTS:

This is an information only item.

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